



PUBLIC NOTICE

Federal Communications Commission
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**DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF
SMART CITY TELECOMMUNICATIONS LLC AND SMART CITY SOLUTIONS, LLC
FROM SMART CITY FINANCE LLC TO HARGRAY-SMART CITY ACQUISITION CO. LLC**

STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 08-170

Comments Due: September 23, 2008

Reply Comments Due: September 30, 2008

On August 11, 2008, Smart City Finance LLC (Smart City) and Hargray-Smart City Acquisition Co. LLC (Hargray-Smart City) (collectively, Applicants) filed an application pursuant to section 63.03 of the Commission's rules to transfer control of Smart City Telecommunications LLC (SCT) and Smart City Solutions, LLC (SCS) from Smart City to Hargray-Smart City.¹ SCT is a Delaware limited liability company that provides competitive local exchange and interexchange services in Celebration, Lake Buena Vista, Little Lake Bryan, and Bay Lake, Florida. SCS is a Delaware limited liability company that does not provide interstate services at this time. Smart City is the sole member of SCT and SCS. Hargray-Smart City, a Delaware limited liability holding company, is wholly owned by Hargray-Smart City Holdings LLC (HSCH), a Delaware limited liability company. Hargray-Smart City and HSCH do not offer telecommunications services. HSCH indirectly owns substantially all of the equity interest of Hargray Communications Group, Inc. (HCG), a privately held holding company whose subsidiaries and affiliates offer telecommunications services in southeastern South Carolina and portions of Georgia.²

Upon closing, HSCH will be wholly owned by Quadrangle (AIV) Capital Partners II LP (83.65%) and Quadrangle Capital Partners II-A LP (14.18%) (collectively, Quadrangle), both Delaware

¹ 47 C.F.R. § 63.03; *see* 47 U.S.C. § 214. Applicants are also filing applications for transfer of control associated with authorization for international and wireless services. Any action on this domestic section 214 application is without prejudice to Commission action on other related, pending applications. On September 4, 2008 and September 8, 2008, Applicants filed supplements to their domestic section 214 application.

² Hargray, Inc. provides competitive local exchange service in South Carolina; Hargray of Georgia, Inc. provides competitive local exchange service in portions of Georgia; Hargray Telephone Company, Inc. is an incumbent local exchange carrier providing local exchange and interexchange service in Hilton Head Island and Hardeeville, South Carolina; Bluffton Telephone Company, Inc. is an incumbent local exchange carrier providing local exchange and interexchange service in Bluffton, South Carolina; and Low Country Carriers, Inc. provides interexchange services in South Carolina and Georgia. Applicants state that Smart City and its subsidiaries do not provide telecommunications service in the geographic areas where HSCH provides dominant incumbent LEC service.

limited partnerships.³ Quadrangle is a private equity fund managed by affiliates in the New York-based investment firm, Quadrangle Group LLC.⁴ Applicants state that no other person or entity owns a 10 percent or greater interest in Hargray-Smart City. Pursuant to the terms of the proposed transaction, Hargray-Smart City will purchase all of the membership interests in SCT and SCS and will become the sole member of each. Applicants assert that the proposed transaction is entitled to presumptive streamlined treatment under section 63.03(b)(2)(ii) of the Commission's rules and that a grant of the application will serve the public interest, convenience, and necessity.⁵

Domestic Section 214 Application Filed for the Transfer of Control of Smart City Telecommunications LLC and Smart City Solutions, LLC from Smart City Finance LLC to Hargray-Smart City Acquisition Co. LLC, WC Docket No. 08-170 (filed Aug. 11, 2008).

GENERAL INFORMATION

The Wireline Competition Bureau finds, upon initial review, that the transfer of control identified herein is acceptable for filing as a streamlined application. The Commission reserves the right to return any transfer of control application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Pursuant to section 63.03(a) of the Commission's rules, 47 C.F.R. § 63.03(a), interested parties may file comments **on or before September 23, 2008**, and reply comments **on or before September 30, 2008**. Unless otherwise notified by the Commission, the Applicants may transfer control on the 31st day after the date of this notice.⁶ Comments must be filed electronically using (1) the Commission's Electronic Comment Filing System (ECFS) or (2) the Federal Government's e-Rulemaking Portal. See 47 C.F.R. § 63.03(a) ("All comments on streamlined applications shall be filed electronically . . ."); *Electronic Filing of Documents in Rulemaking Proceedings*, 63 FR 24121 (1998).

- Comments may be filed electronically using the Internet by accessing the ECFS, <http://www.fcc.gov/cgb/ecfs/>, or the Federal e-Rulemaking Portal, <http://www.regulations.gov>. Filers should follow the instructions provided on the website for submitting comments.
- For ECFS filers, if multiple docket or rulemaking numbers appear in the caption of this proceeding, filers must transmit one electronic copy of the comments for each docket or rulemaking number referenced in the caption. In completing the transmittal screen, filers should

³ Quadrangle (AIV) Capital Partners II LP and Quadrangle Capital Partners II-A LP are controlled by a common general partner, Quadrangle GP Investors II LP, the general partner of which is QCP GP Investors II LLC. The following individuals, all U.S. citizens, are managing members of QCP GP Investors II LLC: Edward Sippel, Steven Rattner, Peter Ezersky, Gordon Holmes, Michael Huber, Jeffrey Nordhaus, Daniel Rosensweig, and Joshua Steiner.

Applicants state that Quadrangle has investments in several U.S. competitive, wireline telecommunications companies: NTELOS, Inc., serving customers in Virginia and West Virginia and Nuvox Communications, serving the Southeast and Midwest.

⁵ 47 C.F.R. § 63.03(b)(2)(ii).

⁶ Such authorization is conditioned upon receipt of any other necessary approvals from the Commission in connection with the proposed transaction.

include their full name, U.S. Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions, filers should send an e-mail to ecfs@fcc.gov and include the following words in the body of the message, "get form." A sample form and directions will be sent in response.

In addition, e-mail one copy of each pleading to each of the following:

- 1) The Commission's duplicating contractor, Best Copy and Printing, Inc., fcc@bcpiweb.com; phone: 202 / 488-5300; fax: 202 / 488-5563;
- 2) Tracey Wilson-Parker, Competition Policy Division, Wireline Competition Bureau, tracey.wilson-parker@fcc.gov;
- 3) Michelle Sclater, Competition Policy Division, Wireline Competition Bureau, michelle.sclater@fcc.gov;
- 4) David Krech, Policy Division, International Bureau, david.krech@fcc.gov; and
- 5) Jim Bird, Office of General Counsel, jim.bird@fcc.gov.

Filings and comments are available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, S.W., Room CY-A257, Washington, D.C. 20554. They may also be purchased from the Commission's duplicating contractor, Best Copy and Printing, Inc., Portals II, 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554; telephone: 202 / 488-5300; fax: 202 / 488-5563; e-mail: fcc@bcpiweb.com; url: www.bcpiweb.com.

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For further information, please contact Tracey Wilson-Parker at 202 / 418-1394 or Michelle Sclater at 202 / 418-0388.

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